

Fish-Buying Policy

ALDI SUISSE



Our sense of responsibility

In our **CR Principles**, we, the ALDI SOUTH Group, commit ourselves **to the responsible use of natural resources**.

Approx. 70% of our planet Earth is covered with water. Rivers, lakes, and oceans constitute important ecosystems, which enable and balance life on Earth. Approx. 90 million tonnes of fish are caught from the oceans every year and form the basis of life and nutrition for large numbers of the human population. However, these sensitive ecosystems are threatened by overfishing and environmental pollution. Responsible farming of species such as salmon, trout, and shrimp can serve to reduce fishing pressure. Already today, approx. 50% of all fish intended for human consumption originate from aquacultures. Nevertheless, extensive fish farming causes other problems, such as disease outbreaks, the pollution of water bodies by drugs and chemicals, and the deforestation of mangroves for the creation of fish ponds. Moreover, most farmed fish are, at least partly, fed on wild-caught food fish, which further increases the required volumes of fish caught.

Our **sustainable fish buying policy** serves ourselves and our business partners as a binding guideline for the implementation of sustainable sourcing practices for our fish and seafood products. In this context, the advancement of ecologically sustainable fisheries and aquacultures represents a long-term challenge which we face together with our business partners.

Our fish buying policy applies to all of our fresh, chilled, frozen, and canned private label fish and seafood products, as well as all private label products containing seafood or fish (for example tuna sandwiches, tuna pizza or pet food). In the event that individual sections of this policy do not apply to all of these products, this will be explicitly stated.

The present fish buying policy is valid for ALDI SUISSE AG (Switzerland), HOFER KG (Austria), Hofer trgovina d.o.o (Slovenia), Aldi Magyarország Élelmiszer Bt. (Hungary) and Aldi S.r.l (Italy).

At ALDI SUISSE, the implementation of sustainability-related aspects is supported and promoted by decision makers and our Managing Directors, who are advised and supported in this context by internal and external experts.

Our fish buying policy is based on the following aspects:

1. Sustainable product range
2. Traceability
3. Product labelling
4. Social standards throughout the entire supply chain
5. Transparent communication
6. Cooperation with important partners
7. Implementation

1 Sustainable product range

The majority of our fish and seafood products already originate from responsible sources. In order to ensure the sustainability of our product range, we have set ourselves the **following goals**:

- To source all of our fresh, chilled, frozen, and canned fish and seafood products from responsibly managed fisheries and breeding farms from the end of 2020 onwards at the latest.
- To continuously improve the quality of the raw materials used for our products containing fish and seafood components (e.g. tuna sandwiches, tuna pizza, and pet food).

We deem the following concrete aspects to be important for our transition to responsibly sourced fish and seafood products:

- Certified wild-caught products (MSC)
- Products from certified aquacultures (organic, ASC, and GLOBALG.A.P.)
- Other products from healthy stocks or responsible breeding farms rated 'recommendable' or 'acceptable' by the nature conservation organisation WWF. Within the scope of buying decisions, certified raw materials are to be preferred, provided that sufficient volumes are available on the market and that market conditions and the provided product specifications are adhered to.

Furthermore, the following additional requirements apply to all fish and seafood products.

Wild-caught fish

In cooperation with our suppliers, we implement the following **measures**:

- Exclusion of illegally caught fish
- Exclusion of all fish and seafood species rated as 'endangered' or 'critically endangered' on the IUCN red list or listed within CITES Appendix 1.
- Use of all fish and seafood species listed within CITES Appendix 2 only under the condition of a 'recommendable' or 'acceptable' WWF rating.
- Avoidance of overfished populations
- Avoidance of fish stocks from critical catchment areas and marine reserves
- Exclusion of dynamite and poison
- Reduction of by-catch to a minimum
- Minimal impact on ecosystems
- Minimisation of particularly critical catchment methods (trawls, seine fishing with fish aggregation devices (FADs))
- Preferential treatment of gentle fishing methods

Additional requirements concerning the sourcing of **tuna**:

- In order to fulfil our responsibility concerning the sourcing of tuna used as raw material for our products, one of the following measures is implemented for each product containing tuna, which does not originate from MSC-certified fisheries:
 - The relevant fishing vessel/fleet is registered in the ProActive Vessel Register (PVR).
 - Our supplier or the producer is a member of the International Seafood Sustainability Foundation (ISSF) and operates in accordance with the relevant regulations and requirements.
 - The relevant fishery responsible for tuna fishing verifiably supports a corresponding fishery improvement project (FIP), which is registered within the FIP Directory of the SFP and rated A, B, or C.

No endangered fish species in the ALDI SUISSE product range:

ALDI SUISSE is committed to excluding particularly endangered fish species from its product range. We exclude the following fish species from our product range:

- European eel
- Lobster
- Ray
- Shark
- Endangered tuna species (e.g. bigeye tuna, bluefin tuna, etc.)

Furthermore, we consequently exclude the following fish species if the fish is not sourced from MSC-certified fisheries or from aquacultures:

- Eel
- Halibut
- Victoria perch
- Krill
- Orange roughy
- Rosefish
- Haddock
- Monkfish
- Sea bass
- Sole
- Spined loach
- Wild-caught sturgeon
- Reef fish (e.g. snapper, parrotfish, grouper)

Aquaculture

In cooperation with our suppliers, we implement the following **measures**:

- Reduction of the impact on the (surrounding) flora and fauna
- Species-appropriate farming methods and stock density
- Strict ecological guidelines for processing
- Exclude stocking with wild-caught fish eggs and juvenile fish, with the exception of zero input systems
- Exclusion of preventive chemicals and antibiotics
- Exclusion of growth promoters and hormones
- Minimisation of the number of escaped farm fish
- Implementation of a working faeces, waste, and water management system
- No breeding of genetically modified fish, no use of plant-based feed which has been genetically modified or for the cultivation of which primeval forest was destroyed

We promote the **responsible** rearing of fish and seafood:

- We are committed to ensuring that the origins of the animal feed used are verifiable and traceable.
- Within the scope of sustainability projects, we actively promote the implementation of responsible aquacultures and transparent supply chains.
- We are committed to successively reducing and, in the medium term, completely eliminating the use of ethoxy-quine (EQ) in animal feed used in aquacultures for farming fish and seafood.

Search for alternatives

Our product range is evaluated by marine biologists of the nature conservation organisation WWF and our CR (Corporate Responsibility) department, in close cooperation with the relevant Buying departments and under consideration of the assessments of scientific experts. Based on these assessments, fish products that are categorised as critical are reviewed in order to assess whether a transition to alternatives is possible. The assessment process is updated on at least an annual basis to ensure that changing conditions can be taken into account.

Furthermore, all of our fish and seafood products are assessed during the tendering process, provided that the relevant product is not already certified in accordance with an accepted standard. In the event of a negative rating, research for more sustainable alternatives is conducted. All fresh, chilled, frozen, and canned fish and seafood products for which no sustainable alternative is available will be delisted by the end of 2020 at the latest.

2 Traceability

We demand that our suppliers **guarantee complete traceability** of all fish and seafood products supplied to HOFER. Among other things, suppliers are therefore obliged to provide additional information, such as the exact catchment period, the fishing vessel, and the port of landing. The supplier must provide information on the entire value chain of the relevant product based on the product labelling (lot or batch number, together with the relevant best-before date, if applicable), back to the fishing vessel or aquaculture (see item 3. Product labelling).

We aspire to establish a **constant monitoring system** to ensure complete traceability of all fish and seafood products. For this purpose, randomised document verification audits are conducted by independent third-parties at our suppliers' premises. These audits serve to verify whether the supplier is able to ensure full traceability of our products.

Within the scope of laboratory testing, we use DNA analyses, for example, of our tuna products, in order to verify whether the fish specified on the product label corresponds to the fish actually contained in the product.

3 Product labelling

To enable our customers to make informed decisions, ALDI SUISSE and its suppliers provide comprehensive **product labelling**. Thus, the following obligatory information must be specified on the labels of all products containing a relevant portion of fish or seafood components:

- General species name
- Scientific (Latin) name
- Catchment method
- FAO catchment area or country where the relevant aquaculture is based

This information is also to be included on pet food products, provided that the packaging size allows for corresponding labelling.

The supplier is to provide the following information either directly on the packaging or by means of a QR code containing a link to our traceability platform www.check-your-product.com:

- Production method (wild-caught or aquaculture)
- A map illustrating the origin of the product
- Production facility
- Catchment date or catchment period
- Certification
- Wild-caught fish:
 - Sub-catchment area
 - Fishing vessel
 - Flag state of the fishing vessel
 - Port of landing
- Fish from aquaculture:
 - Breeding farm
 - Region of the breeding farm
 - Farming method
 - Degree of intensity
 - Production facility

Our suppliers are to provide this information for each individual batch. In the event that neither this information nor a QR code can be printed on the product packaging, for example, for reasons of space, it is to be provided upon request for each individual batch.

4 Social standards throughout the entire supply chain

For further information on the buying and sourcing practices concerning raw materials for our products, please refer to our 'ALDI Social Standards in Production' and our CR Principles. These standards reflect our minimum requirements, which we strive to exceed wherever possible. We expect all our business partners and suppliers to meet these standards and to ensure that all subcontractors throughout the entire supply chain also adhere to them.

5 Transparent communication

This buying policy is publicly accessible to all parties involved and constitutes an integral part of our business relations. We **actively advertise fish and seafood products from sustainable sources** (e.g. by means of our product leaflets). Our website provides customers with interesting additional facts about fish and seafood and an overview of certified products.

6 Cooperation with important partners

We cooperate closely with our **long-standing suppliers** in order to improve the sustainability of our product range. We expect our suppliers and business partners to develop guidelines on the sustainable sourcing of fish and seafood products and to establish a management system for continuously monitoring of the status of implementation. These expectations are communicated to all of our suppliers. We only cooperate with suppliers who comply with our fish buying policy.

In order to achieve our goal of offering a sustainable product range and ensuring transparency throughout the supply chain, continuous dialogue with external partners is indispensable. Therefore, we regularly consult with **NGOs, scientific experts, and stakeholders**. Together with our suppliers, we regularly exchange information with initiatives such as the MSC, ASC, and GLOBALG.A.P. and support them in pursuing their goals.

7 Implementation

The ALDI SOUTH Group has established **international sustainability goals** for the sustainable procurement of fish and seafood products. These goals are implemented on the basis of national goals and requirements which are defined within this fish buying policy.

The present fish buying policy is implemented by means of detailed **management and implementation processes**. During regular working group meetings, the established processes are further developed and recorded in accompanying documents. **Internal working groups** provide for an active dialogue between the responsible Buying Directors and sustainability experts. Thus, regular meetings serve to ensure that current developments are communicated.

Within the scope of a **monitoring process**, the status of goal achievement is regularly reviewed, communicated at top management level within the scope of **reporting processes**, and published within the **International CR Report**. Furthermore, improvement measures are defined and implemented within our internal processes wherever required.

The present fish buying policy is reviewed and, if required, adjusted on an annual basis. Only this way can it be ensured that our goal of procuring sustainable fish and seafood products can be achieved in the long term.